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For Immediate Release: Dec. 6, 2002

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AMCAST Automotive Expands Gas City Location; 364 Jobs Impacted

GAS CITY—AMCAST Automotive, innovative automotive wheel manufacturer with a global reach announced plans today to expand its Gas City, Ind. facility, retaining 286 Hoosier jobs and creating 78 new positions.

Lt. Governor Joe Kernan and Gas City Mayor Larry Leach joined company officials to make the announcement at the Grant County facility. Expected to be complete by 2004, the company plans to invest approximately \$14.2 million to upgrade equipment and expand the plant.

"We are thrilled with AMCAST's announcement to continue to invest in east central Indiana and create these additional jobs," said Joe Kernan, who serves as the director of the Indiana Department of Commerce. "My thanks goes to all the partners – the Indiana Department of Commerce, the leadership at Gas City, the Grant Co. Economic Growth Council and of course AMCAST – for their efforts to make these projects a reality."

Located at 6231 E. 500 South, the facility is owned by the Ohio-based AMCAST Industrial Corp. and manufactures cast aluminum wheel products for automobiles. Following the investment in new equipment, AMCAST will utilize cutting edge technology known as "flow form" to produce larger aluminum wheel castings, which are lighter in weight and less expensive to produce.

"This is a great win for Gas City and one that we are excited about," added Leach. "This is further proof that Gas City and Grant County has what it takes to compete. AMCAST has been a great partner for many years and we are thrilled that they have chosen to expand here once again."

AMCAST Industrial Corp. is a leading manufacturer of technology-intensive metal products with annual sales of approximately \$576 million. Its two business segments are brand name Flow Control Products marketed through national distribution channels, and Engineered Components for original equipment manufacturers. The company serves the automotive, construction, and industrial sectors of the economy. The company operates 16 facilities throughout North America and Europe, including facilities in Elkhart, Franklin, Fremont, Gas City, Geneva, and Richmond, Ind.

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“The state and community have worked together over the past 12 months to bring this project to Gas City,” said Mike Beckman, vice president of Finance for AMCAST Automotive of Indiana. “Here, we have the infrastructure, the workforce and the support of local and state governments to compete in this global economy.”

To ensure the company’s expansion in Indiana, state and local leaders worked together to offer an aggressive incentive package. The Indiana Department of Commerce offered \$160,000 from its Skills Enhancement Fund (SEF) to assist training new and existing employees in skills required by the expansion. Commerce also awarded up to \$100,000 in Economic Development for a Growing Economy (EDGE) tax credits. The city of Gas City offered \$350,000 in Tax Increment Finance (TIF) proceeds based on the city granting a 5-year abatement of taxes the new manufacturing equipment installed as a part of the project.

The Indiana Department of Commerce awards Skills Enhancement Fund grants to Indiana companies that undertake capital-investment projects. The grants help defray the costs of training new and current employees in transferable and company-specific skills necessary to support these projects. EDGE tax credits are based on the creation of new Hoosier jobs and are awarded to companies that may otherwise locate in another state or country.

Companies interested in these or other Commerce programs should contact the Indiana Department of Commerce’s Economic Development Division at 800.463.8081 or access its Web site at www.indianacommerce.com.

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